

Public Chapter 163

SENATE BILL NO. 1330

By Haynes

Substituted for: House Bill No. 1549

By Davidson

AN ACT To amend Tennessee Code Annotated, Title 49, Chapter 7, Part 8, relative to the Tennessee Baccalaureate Education System Trust Act.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 49-7-802(1), is amended by deleting the word "individual" in the second sentence thereof and by substituting instead the words "beneficiary or the purchaser".

SECTION 2. Tennessee Code Annotated, Section 49-7-804, is amended by adding the following new subsection:

(g) The board may delegate to the State Treasurer the duty to carry out the day-to-day operations and responsibilities of the program. In exercising such delegation, the State Treasurer shall be authorized to exercise such powers as are vested in the board which are necessary to fulfill the delegated duties and responsibilities, and may assign any such duties and responsibilities to his staff as he deems necessary and proper.

SECTION 3. Tennessee Code Annotated, Section 49-7-809(a)(1), is amended by adding the word "or" at the end of subdivision (C), by deleting the punctuation and word "; or" at the end of subdivision (D) and by substituting instead a period ("."), and by deleting subdivision (E) in its entirety.

SECTION 4. Tennessee Code Annotated, Section 49-7-809(d), is amended by deleting it in its entirety and by substituting instead the following:

(d) If a beneficiary is the recipient of a scholarship, a waiver of tuition, or similar subvention that the board determines cannot be converted into money by the beneficiary, the board shall upon the request of the beneficiary and upon being furnished information about the scholarship, waiver or similar subvention:

(1) refund to the person designated in the contract an amount determined by the board pursuant to subsection (b) of this section provided that such amount shall not be less than the total purchase price of the tuition units that are not needed on account of the scholarship, waiver, or similar subvention for that term at the institution of higher education where the beneficiary is enrolled. The board may, at its sole

option, designate the institution of higher education at which the beneficiary is enrolled as the agent of the board for purposes of refunds pursuant to this subsection (d);

(2) retain the tuition units in the beneficiary's account for later use; or

(3) transfer the tuition units to a new beneficiary pursuant to such rules or regulations promulgated by the board pursuant to § 49-7-805(15).

SECTION 5. Tennessee Code Annotated, Section 49-7-823, is amended by deleting it in its entirety.

SECTION 6. Tennessee Code Annotated, Title 49, Chapter 7, Part 8, is amended by adding the following new section:

49-7-823. Disclosure of Personal Information.

(a) Notwithstanding any other provision of law to the contrary, except as provided in subsections (b) and (c) below, the board, and any officer, employee, agent or contractor thereof shall not disclose personal information about any person obtained by the board in connection with the purchase of tuition units hereunder.

(b) The board, and any officer, or employee thereof may release information described above under the following circumstances:

(1) To an institution of higher education in which a beneficiary may enroll or is enrolled. The institution of higher education shall maintain the same level of confidentiality as that required hereunder;

(2) To the extent that the beneficiary, purchaser or their respective legal representative consents to disclosure;

(3) In compliance with a subpoena or a court order;

(4) To the comptroller of the treasury or the comptroller's designees for the purpose of an audit of the board;

(5) To the Internal Revenue Service for the purpose of filing reports of distributions made under the program; or

(6) In any administrative proceeding or court action between the purchaser, beneficiary or their respective legal representative and the board.

(c) Personal information referred to in subsection (a) above may be disclosed to any requesting person, without regard to intended use, if the board has provided in a clear and conspicuous manner on tuition contracts that personal information collected by the board may be disclosed to any person making a request for such information, and has provided in a clear and conspicuous manner on such contracts an opportunity for the purchaser to prohibit such disclosure.

SECTION 7. Tennessee Code Annotated, Section 49-7-804(e), is amended by deleting the word "All" in the second sentence thereof and by substituting instead the words and figures "Except as provided in § 49-7-823, all".

SECTION 8. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 9. This act shall take effect upon becoming a law, the public welfare requiring it.